Guess who?

You're working with 3 different clients. New information will be revealed in rounds. Each round gives you more insight into what’s happening. Your job is to guess who may be involved in money laundering.

MICHELLE

Scenario 2

CHRIS

Scenario 3

ALEX

Scenario 4

Round 1

Michelle

Scenario 2

You receive an enquiry through your website from a buyer named Michelle, who is looking to purchase an investment property in your area.

She explains she's been actively building a property portfolio and is interested in opportunities in the $900K–$1.2M range.

When you speak with her, she comes across as confident and knowledgeable. She mentions she already owns a few properties and is looking to continue expanding her portfolio.

You send through a shortlist of suitable listings, and Michelle quickly narrows it down to one property she'd like to pursue.

Chris

Scenario 3

You're managing the sale of a residential property that's been on the market for a few weeks. Interest has been steady, but no offers have quite hit the mark yet.

At the next open home, a buyer named Chris comes through. He seems relaxed, friendly and interested, asking a few questions about the property and the vendor's expectations.

After the inspection, Chris tells you he's keen and will think it over.

Later that day, he calls and says he'd like to move forward with an offer.

Alex

Scenario 4

You're working with a buyer named Alex who has shown interest in an investment property in your area. The price point is just under $1M, and Alex seems well-prepared and motivated to proceed.

At the inspection, Alex is friendly and straightforward. He asks a few general questions about the property and rental potential, but nothing out of the ordinary.

After the inspection, you follow up and Alex confirms he'd like to move forward if the numbers stack up.

Round 2

Michelle
Scenario 2

A day later, Michelle calls and says she's ready to move forward.

She explains that she already has finance pre-approved and is comfortable proceeding quickly if the numbers work.

You suggest reviewing comparable sales and potentially negotiating, but Michelle responds:

"I'm not too worried about squeezing every dollar—I'm more focused on building the portfolio."

She asks you to prepare the offer and move things along quickly.

Chris
Scenario 3

Chris submits an offer that is slightly below the asking price, which is fairly in line with where you expected negotiations to land.

You take the offer to the vendor, who reviews it and indicates they're open to negotiating.

So far, everything feels like a fairly standard transaction.

Alex
Scenario 4

A day or 2 later, Alex comes back and confirms he's ready to make an offer.

He explains that he's organised his funds and is comfortable proceeding quickly. The offer is within a reasonable range, and negotiations progress fairly smoothly.

As you move toward securing the deal, Alex mentions that the deposit might be paid in a couple of parts rather than one single transfer.

He says: "I've just got funds coming from a few places—that's all."

Round 3

Michelle

Scenario 2

As the deal progresses, you learn a bit more about Michelle's situation.

She mentions she has:

- purchased several properties over the past couple of years
- secured finance across multiple lenders
- plans to continue buying more properties in the near future.

When you ask about her work, she gives fairly general answers:

"I've got a few different income streams…bit of business, bit of consulting."

She doesn't go into much detail, and when you ask follow-up questions the answers remain vague.

Chris

Scenario 3

As you continue discussions between the buyer and vendor, Chris asks to have a more direct conversation about the deal.

Shortly after, the vendor comes back to you and says they're happy to proceed—but mentions that Chris has suggested a slightly different arrangement.

They explain:

"He's happy to meet our price…but wants to structure it a bit differently."

When you ask for clarification, the details are vague and the vendor doesn't go into specifics, just saying:

"It's all straightforward—we just need to adjust how it's recorded."

Alex

Scenario 4

As the deposit starts coming through, the process becomes a bit more fragmented than expected.

You notice that:

- payments are arriving in multiple instalments
- the funds are coming from different accounts
- some of the names attached to the payments don't match Alex exactly.

When you ask about it, Alex keeps things fairly general:

"Yeah, it's just how I've structured things—nothing to worry about."

He remains calm and confident and continues pushing to keep the deal moving.

Round 4

Michelle
Scenario 2

As you move closer to contract, a few things begin to stand out.

Michelle confirms that her finance is in place, but the supporting details she provides are limited. When you ask for clarification around her lender or structure, she keeps things high-level and avoids specifics.

At the same time:
- she continues talking about buying additional properties soon
- she appears unconcerned about loan structures, interest rates or borrowing limits
- her explanations of how everything is being funded remain unclear
- there doesn't seem to be a clear link between her stated work and the level of activity she's undertaking.

The deal itself looks clean—but the overall picture is becoming harder to reconcile.

Chris
Scenario 3

As you try to formalise the agreement, things become clearer.

The agreed outcome between the buyer and vendor doesn't fully match what's being put into the contract.

You get the sense that:
- the price being discussed verbally is higher than what is being proposed in the formal documentation
- the price is also well below your valuation of the property
- there is an expectation that part of the arrangement will be handled outside the contract
- both parties appear comfortable with this structure and are keen to move forward quickly

When you push for everything to be reflected clearly in the contract, the response is along the lines of:

"Let's just keep it simple and stick to the agreed figure on paper. And don't worry, we'll pay your commission based on the full listing price"

Alex
Scenario 4

As the deposit process continues, it becomes increasingly complex.

There are multiple back-and-forths about how the remaining funds will be paid, and the structure seems to change more than once. Each time you ask for clarification, the explanations remain vague and fairly high-level.

At the same time:
- there's no clear, simple explanation for why the funds are coming from multiple sources
- the payment process feels more complicated than you would normally expect for a transaction like this
- Alex seems keen to avoid going into detail and instead focuses on keeping things moving.

While the deal itself looks standard on paper, the way the funds are being handled doesn't quite add up.

Case study

Scenario 2 – Loans and mortgages / false financial information

Background

In one major investigation, a Sydney-based money laundering operation was uncovered involving millions of dollars in criminal proceeds linked to the illegal tobacco trade.

At the centre of the scheme was an individual who:

- obtained multiple home loans using falsified income documents
- used those loans to purchase properties
- then repaid the mortgages using illicit funds.

Over time, this allowed the criminal proceeds to be integrated into the financial system, effectively disguising dirty money as legitimate loan repayments.

From the outside, everything looked normal:

- loans were approved
- properties were purchased
- mortgages were being repaid.

How it worked

By cycling money through legitimate mortgage structures:

- the funds appeared to come from normal financial activity
- the loans provided a layer of legitimacy
- as the mortgages were paid down, the money became "clean".

This allowed millions of dollars to be reintroduced into the economy without raising immediate suspicion.

Outcome

- The operation was uncovered by authorities.
- The individual was arrested and charged.
- The scheme involved nearly $7 million in laundered funds.
- It was linked to organised criminal activity across multiple sectors.

Case study

Scenario 3 - Value manipulation

Background

In one investigation, a vendor and purchaser colluded to transfer a property at an agreed price, but then deliberately recorded the formal sale price as significantly lower.

The difference between the real price and the recorded price was paid in cash, outside of the formal transaction, and not documented in any of the conveyancing records.

From the outside, it looked like a normal property sale. But in reality:

- the official contract did not reflect the true value of the transaction
- a portion of the purchase price was paid off the books
- the cash involved was suspected to be proceeds of crime.

This structure allowed the parties to:

- avoid paying the correct amount of stamp duty
- introduce illicit cash into the financial system through the property transaction.

How it was detected

The activity came to light when the:

- vendor made a large cash deposit into their bank account
- timing of that deposit aligned closely with the property transaction
- amount didn't match what was recorded in the contract.

That mismatch raised suspicion and helped authorities identify that the real transaction value had been concealed.

Outcome

- Law enforcement took action against those involved.
- The property was seized under the *Proceeds of Crime Act 2002*.
- The case was treated as both fraud and money laundering.

Case study

Scenario 4 - Source of funds / complex payment behaviour

Background

In a major investigation on the Gold Coast, authorities uncovered a money laundering operation involving more than $15 million in assets, including multiple properties.

As part of the scheme:

- funds were used to purchase and rapidly repay mortgages across several properties
- the money was moved through the financial system using hundreds of separate cash deposits
- these deposits were deliberately structured to avoid detection.

From the outside, the property purchases looked legitimate. But in reality:

- the funds were being layered through multiple transactions
- the structure was designed to obscure the source of money
- real estate was used to store and legitimise illicit funds.

How it was detected

The activity came to light through financial monitoring and reporting, where patterns of unusual and repeated transactions began to stand out.

Even though each individual transaction may not have looked significant on its own, the pattern over time helped authorities identify that something wasn't right.

Outcome

- Assets worth approximately $15.6 million were restrained.
- This included seven properties, cash, cryptocurrency and bank funds.
- The matter is subject to ongoing legal proceedings under the *Proceeds of Crime Act 2002.*

Hope Island Dec 2023 (Source: AFP)